

Sales and Use Tax Exclusion (STE) Program for Manufacturers



State Treasurer Fiona Ma

Over \$1.3 BILLION | **IN TAX EXCLUSIONS AWARDED TO CALIFORNIA MANUFACTURERS TO DATE**

Projects located across 40 counties throughout the State

How Does CAEATFA Grow Manufacturing in California?



CAEATFA's sales and use tax exclusion program provides a tax incentive on equipment and machinery purchased by certain manufacturers. This helps the manufacturing industry grow in your community, and helps support high quality jobs.

- \$100 million in financial assistance awarded each calendar year.
- Manufacturers save an average of 8-10% at point of sale.
- Application periods announced before the start of each year.
- Manufacturers have three years to use award.

CAEATFA Assists Various Types of Manufacturers, Including:

Advanced Transportation

- EVs and ZEVs
- EV Lithium Batteries
- EV Drivetrains



Alternative Source

- Solar Panels
- Biogas
- Renewable Hydrogen
- Energy Storage



Advanced Manufacturing

- Aerospace
- Nanotechnology
- Biopharmaceutical
- Semiconductors



Recycled Feedstock

- Tire Recyclers
- Material Recovery Facilities (MRFs)
- Composters

Fiscal and Environmental Benefits

The 385 projects approved to date are projected to provide:

- **\$2.8B in fiscal benefits.**
- **\$523M in environmental benefits.**
- **\$1.9B net benefit to the State.**
- **Over 158,000 jobs created or retained.**

